

**Draft Summary of the Recreation and Socioeconomics Work Group Meeting  
Oroville Facilities Relicensing (FERC Project No. 2100)  
February 24, 2005**

The Department of Water Resources (DWR) hosted a meeting for the Recreation and Socioeconomics Work Group (RSWG) on February 24, 2005 in Oroville.

A summary of the discussion, decisions made, and action items is provided below. This summary is not intended to be a transcript, analysis of the meeting, or to indicate agreement or disagreement with any of the items summarized, except where expressly stated. The intent is to present a summary for interested parties who could not attend the meeting. The following are attachments to this summary:

Attachment 1	Meeting Agenda
Attachment 2	Meeting Attendees
Attachment 3	Handout: Oroville Facilities Relicensing Post Filing Schedule
Attachment 4	Handout: FERC Notice of Application (Tendering Noticing)

### **Introduction**

Attendees were welcomed to the RSWG meeting. Attendees introduced themselves and their affiliations and the desired outcomes of the meeting were discussed. The meeting agenda and list of meeting attendees are appended to this summary as Attachments 1 and 2, respectively.

### **Action Item – July 22, 2004 RSWG Meeting**

A summary of the July 22, 2004 RSWG meeting is posted on the relicensing web site. The Facilitator reviewed the status of the action item from that meeting as follows:

<b>Action Item #R114</b>	Provide a map of the recreation survey sites as an addendum to R-13.
Status:	A map of the recreation survey sites is included in the final version of the R-13 study report, which was distributed to the RSWG at the February 24, 2005 meeting.

### **Distribution of Final Study Report (R-13)**

Doug Rischbieter (DWR) reminded the group that at the time of the last RSWG meeting (July 2004) the R-13 report (Recreation Surveys) had been released in draft form. He explained that since that meeting the report has been finalized, and one purpose of this meeting is to distribute the final report to RSWG participants. Jim Vogel (EDAW) presented an overview of the report to the RSWG. He indicated that changes to the numbers that were presented in the draft report were generally minor and very few changes overall. The report conclusions did not change. The complete study report is available for downloading from the Oroville Relicensing Website.

Several comments and questions were raised related to the economic analyses conducted for Relicensing Studies R-18 and R-19, which were based in part on information obtained from the recreation surveys. Jon Ebeling (Butte County) stated that input-output (I/O) models are not dynamic, which in his view poses problems for using these models to forecast future economic and fiscal effects. He suggested potential problems arise because these static models do not take into account changes in local industrial relationships, changes in the preferences of consumers, and other factors such as the macro-economy. The RSWG discussed response rates in the surveys. It was clarified that no follow-up calls were made for non-respondents of the mail-back survey, and acknowledged that the surveys conducted represent quite an extensive effort for a relicensing project.

Additional comments/questions were posed related to the breakdown of County residents vs. nonresidents in the analysis (which could affect the stability and magnitude of the spending estimates); use of potentially over-stated expenditures in the modeling; standard deviation and confidence intervals of spending estimates; and the differentiation of fixed vs. variable costs for the purposes of the estimated fiscal revenues. The technical lead for the economic studies was not present at the meeting to respond to these comments and questions, but they will be forwarded to him for review.

### **Distribution of Errata and Addenda Report**

The Recreation and Socioeconomics Study Reports Addenda and Errata document was distributed to the RSWG. Doug Rischbieter explained that this document is a single companion volume to all 19 RSWG studies. The errata tables are organized by study and page number and include corrections to factual and significant typographical errors in the final study reports, and some other edits based on public comments. New text that was added to the study reports is presented as addenda to supplement or help clarify the reported information. The document is organized with study addenda, if any, followed by an errata table for each of the 19 studies.

Jim Vogel and Chuck Everett (EDAW) reviewed the document with the RSWG by walking through each of the studies and explaining the basis for most of the addenda items (errata tables were noted but not discussed in detail). Many addenda items include supplemental information provided to the RSWG at previous meetings, including addenda to Studies R-5, R-7, R-8, and R-14. New Appendix B tables in the Study R-7 errata provide more detail/data on lake elevations. There were errors in the calculations used in Study R-9, which were corrected; however, Jim noted that none of these changes affect the conclusions presented in the report. The addendum for Study R-10 provides clarification on allowable trail uses and provides new text that corresponds to (shaded) edits made to numbers presented in the report. All changes shown in the Study R-13 errata table have been incorporated into the final R-13 report. The errata for Study R-15 provides clarification on the GIS data and maps used in the analysis, and includes a new map. The errata for Study R-17 mainly address changes related to trails.

Questions were raised pertaining to the R-19 errata, specifically the source of the traffic (roads used) and visitor data referenced in the errata entry for page 4-16. Doug Rischbieter responded by stating that County road data come from the Public and Private Vehicular Access Study (R-1) and the visitor data are based on the recreation surveys conducted as part of Study R-13.

Regarding the addendum for Study R-10, one participant clarified that although the Sewim Bo Trail was developed for hiking the trail is not posted, and therefore it is open to other uses (e.g., bicycling and equestrian riding); this is referenced in the footnote to the table.

The RSWG also provided general comments on the development and implementation of the recreation and socioeconomic studies. Kevin Zeitler (ORAC) expressed concern that none of the ORAC meetings were referenced in any of the recreation studies. It was also suggested that the proposed Recreation Management Plan (RMP) is flawed because not all of the public comments were considered during the development of the study reports. DWR clarified that all of the studies are consistent with the Study Plans that were developed as part of the collaborative process and typically exceeded FERC requirements. The RSWG discussed the content of the recreation surveys and whether there should have been questions in the recreation surveys related to whether people would visit more frequently if facilities were open more. DWR reminded the RSWG that the surveys were developed within the collaborative where a long list of potential questions was considered by the RSWG. From these discussions, the recreation consultants used professional judgment to select the final survey questions used to develop a questionnaire that would be informative and not too long to complete by the respondent. Although not all of the desired information was collected in the recreation surveys, it was noted that the scope and detail

of the surveys were extensive, but additional information could be acquired as part of future survey efforts.

The RSWG discussed recreation fees. One participant proposed new text should be added to Study R-13 that addresses potential changes in recreation demand (and related economic benefits) associated with changes in recreation fees. It was clarified that recreation user fee issues were addressed to some degree in Study R-5, and Study R-13 addressed current (at the time) user fees. The recreation surveys were administered during the 2002-03 season before California State Parks implemented recent fee increases. Some participants feel that Lake Oroville is at a disadvantage relative to other similar recreation sites because fees are relatively higher than at other locations. DWR indicated that the current license is the forum to address current fee issues and comments should be made to DWR, DPR, and/or FERC regarding this matter. Doug Rischbieter explained that the fee issue is non-essential to the relicensing process and FERC states that licensees can charge "reasonable" fees. Fees at Lake Oroville are similar to other State Recreation Areas (SRAs) in the State and as long as the fees are reasonable, it is not under FERC's purview to tell the licensee what fees should be. It was noted that the fee issue is being reviewed by the Governor's Office; specifically whether State Park fee increases would help meet State Park revenue targets. It was suggested that the effect recreation fees have on visitation could be evaluated using a regression model; a variable addressing recreation user fees was considered in the visitation models developed at part of Study R-12 (Projected Recreation Use), but it was not included in the final models. Some participants felt that the effect changes in user fees have on visitation and economic benefits needs to be studied further. It was noted that while the economic benefits of the project are Statewide, it is local agencies that are experiencing funding shortfalls and most of the visitors paying the fees are local residents.

DWR reported that all of the studies have been finalized and will be reviewed by FERC as they assess the Application for License. If FERC needs more information or data for its pending decision on the Application, they will request it from DWR through an Additional Information Request (AIR).

### **Other Steps**

Copies of the Draft Recreation Management Plan (RMP) dated January 2005 were distributed to the RSWG. The Draft RMP is Appendix I of the License Application submitted to FERC in January 2005. This draft of the RMP includes those measures identified as "needs" in Study R-17 (Recreation Needs Analysis). It may soon become obsolete if a Settlement Agreement can be reached. The Settlement Agreement would likely include more recreation measures than are specified in the January 2005 Draft RMP, and therefore a revised RMP will be submitted to FERC if/when Settlement is reached.

A brief update on the Settlement negotiation process was also presented to the RSWG. As of November 2004, the negotiators were considering a draft of the RMP that differs from the draft filed. A few recreation measures included in the Settlement Agreement are located outside the FERC boundary, and therefore, are not under FERC jurisdiction. These recreation measures would be part of the Settlement Agreement but not part of the new license conditions. No timeline for a signed Settlement Agreement was provided, although DWR is hopeful that an agreement could be reached.

Two handouts were provided to the RSWG that relate to other steps in the relicensing process. A process flow chart was provided that summarizes the post-filing schedule (see Attachment 3). DWR also provided copies of the Notice of Application (or "tendering" notice) published by FERC that acknowledges receipt of the license application submittal by DWR (see Attachment 4). The PDEA was submitted to FERC in conjunction with the license application, which is the first step in the NEPA process. The CEQA process has begun and will provide a forum for additional public

input into the process. DWR expects to have the CEQA document available by the time the draft EIS is made available for public review. The next action in the process is for FERC to officially accept the license application as ready for environmental analysis. It is anticipated that the notice from FERC requesting final terms and conditions from mandatory conditioning agencies will occur in August 2005. It was noted that the amount of additional information requests (AIR) received by DWR from FERC would influence the overall project schedule. Multiple AIR requests can be generated by FERC, including requests made in response to the mandatory conditioning process. DWR is hopeful that a new license will be granted by the January 2007 deadline.

### **Action Items**

There were no action items identified by the RSWG at this meeting. DWR thanked all the participants for their hard work and efforts during the collaborative process. No additional RSWG meetings were scheduled.